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SENATE BILL 975

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Joseph A. Fidel

AN ACT

RELATING TO INSURANCE; EXTENDING A SURCHARGE ON CERTAIN FEES;  
AUTHORIZING THE NEW MEXICO FINANCE AUTHORITY TO ISSUE BONDS FOR  
THE PURPOSE OF FINANCING INFORMATION AND COMMUNICATION  
EQUIPMENT; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 59A-6-1.1 NMSA 1978 (being Laws 1996,  
Chapter 6, Section 1) is amended to read:

"59A-6-1.1. SURCHARGE IMPOSED-- APPROPRIATION. -- A three-  
dollar (\$3.00) surcharge shall be assessed for the period  
beginning March 1, 1996 and ending [~~March 1, 2006~~] June 30,  
2009 on the annual continuation of appointment fees imposed in  
Subsections E, F, [~~M, R, V and W~~] N, S, W and X of Section  
59A-6-1 NMSA 1978. The surcharge collected shall be  
distributed monthly to the New Mexico finance authority to be

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1 pledged irrevocably for the payment of principal, interest and  
2 any other expenses or obligations related to the bonds issued  
3 by the authority to finance information and communication  
4 equipment, including computer hardware and software, for the  
5 insurance [~~department~~] division. "

6 Section 2. Laws 1996, Chapter 6, Section 3, as amended by  
7 Laws 2003, Chapter 306, Section 8, is amended to read:

8 "NEW MEXICO FINANCE AUTHORITY REVENUE BONDS--PURPOSE--  
9 APPROPRIATION. --

10 A. The New Mexico finance authority may issue and  
11 sell revenue bonds in compliance with the New Mexico Finance  
12 Authority Act in installments or at one time in an amount not  
13 exceeding one million dollars (\$1,000,000) for the purpose of  
14 financing information and communication equipment, including  
15 computer hardware and software, for the insurance division of  
16 the public regulation commission.

17 B. In addition to the bonds issued pursuant to  
18 Subsection A of this section, the New Mexico finance authority  
19 may issue and sell revenue bonds in compliance with the New  
20 Mexico Finance Authority Act in installments or at one time in  
21 an amount not exceeding an additional one million dollars  
22 (\$1,000,000) for the purpose of financing information and  
23 communication equipment, including computer hardware and  
24 software, for the insurance division of the public regulation  
25 commission.

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1           ~~[B.]~~ C. The New Mexico finance authority may issue  
2 and sell revenue bonds authorized by this section when the  
3 superintendent of insurance certifies the need to issue the  
4 bonds. The net proceeds from the sale of the bonds are  
5 appropriated to the insurance division for the purposes  
6 described in ~~[Subsection]~~ Subsections A and B of this section.

7           ~~[C.]~~ D. The proceeds from the surcharge imposed  
8 pursuant to Section 59A-6-1.1 NMSA 1978 shall be distributed  
9 monthly to the New Mexico finance authority to be pledged  
10 irrevocably for the payment of the principal, interest and any  
11 other expenses or obligations related to the bonds.

12           ~~[D.]~~ E. The surcharge proceeds distributed to the  
13 New Mexico finance authority shall be deposited in a separate  
14 fund or account of the authority. At the end of each fiscal  
15 year, any money remaining in the separate fund or account from  
16 distributions made to the authority during that fiscal year,  
17 after all principal, interest and any other expenses or  
18 obligations related to the bonds in that fiscal year are fully  
19 paid, may be appropriated by the legislature to the insurance  
20 division for acquisition, maintenance and operation of  
21 information and communication equipment, including computer  
22 hardware, software, systems planning, deployment and training.  
23 Upon payment of all principal, interest and any other expenses  
24 or obligations related to the bonds, the authority shall  
25 certify to the insurance division that all obligations for the

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1 bonds issued pursuant to this section have been fully  
2 discharged and direct the division to cease distributing money  
3 pursuant to Section 59A-6-1.1 NMSA 1978 to the authority.

4 ~~[E.]~~ F. Any law authorizing the imposition or  
5 distribution of the surcharge or that affects the surcharge  
6 shall not be amended, repealed or otherwise directly or  
7 indirectly modified to impair any outstanding revenue bonds  
8 that may be secured by a pledge of the surcharge collections,  
9 unless the revenue bonds have been discharged in full or  
10 provisions have been made for a full discharge. "